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Attorneys for USACM Liquidating Trust

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re:

USA COMMERCIAL MORTGAGE  
COMPANY,

USA CAPITAL REALTY ADVISORS,  
LLC,<sup>1</sup>

USA CAPITAL DIVERSIFIED TRUST  
DEED FUND, LLC,

USA CAPITAL FIRST TRUST DEED  
FUND, LLC,<sup>2</sup>

USA SECURITIES, LLC,<sup>3</sup>

Debtors.

**Affects:**

- ☐ All Debtors  
☒ USA Commercial Mortgage Company  
☐ USA Capital Realty Advisors, LLC  
☐ USA Capital Diversified Trust Deed Fund, LLC  
☐ USA Capital First Trust Deed Fund, LLC  
☐ USA Securities, LLC

Case No. BK-S-06-10725-LBR  
Case No. BK-S-06-10726-LBR<sup>1</sup>  
Case No. BK-S-06-10727-LBR  
Case No. BK-S-06-10728-LBR<sup>2</sup>  
Case No. BK-S-06-10729-LBR<sup>3</sup>

**CHAPTER 11**

Jointly Administered Under Case No.  
BK-S-06-10725 LBR

**DECLARATION OF GEOFFREY L.  
BERMAN IN SUPPORT OF  
OMNIBUS OBJECTIONS OF  
USACM TRUST TO PROOFS OF  
CLAIM BASED UPON  
INVESTMENT IN THE ANCHOR B  
LOAN**

Date of Hearing: June 14, 2011  
Time of Hearing: 10:30 a.m.  
Estimated Time for Hearing: 10 minutes

Geoffrey L. Berman declares under penalty of perjury:

1. I am an adult person competent to testify in court.
2. I make this declaration based upon my personal knowledge, and upon the records USA Commercial Mortgage Company.

<sup>1</sup> This bankruptcy case was closed on September 23, 2008.

<sup>2</sup> This bankruptcy case was closed on October 12, 2007.

<sup>3</sup> This bankruptcy case was closed on December 21, 2007.

3. I am the Trustee of the USACM Liquidating Trust (“USACM Trust”), which is an entity created by the Debtors’ Third Amended Joint Chapter 11 Plan of Reorganization (“Plan”), in the jointly-administered bankruptcy cases, In re USA Commercial Mortgage Company, BK-S-06-10725-LBR, pending in the United States Bankruptcy Court for the District of Nevada

4. USACM circulated an Offer Sheet to prospective Direct Lenders soliciting funding for an acquisition and development loan to a borrower identified as “Anchor B, LLC.” A copy of the Offer Sheet is attached hereto as **Exhibit B** and incorporated by this reference.

5. On May 31, 2005, Borrower made and delivered to various lenders, including the Direct Lenders identified in **Exhibit A**, a “Promissory Note Secured by Deed of Trust” (the “Note”) and a Construction Loan Agreement. The Note and Loan Agreement provided for a loan in the initial principal amount of \$5,850,000. The Note was secured by a “Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing” (“Deed of Trust”) that was recorded in the official records of Harris County, Texas on June 6, 2005. The Note was also secured by a May 31, 2005 Unconditional Guaranty by Tracy Suttles, as well as a UCC-1 Financing Statement covering Borrower’s personal property, tangible and intangible, recorded on June 9, 2005.

6. The USACM “Loan Summary” dated July 31, 2006 and filed in this case shows that Borrower was “Non-performing” on the Note as of July 31, 2006. The USACM “Loan Summary” dated February 28, 2007 and filed in this case shows that Borrower was in “Maturity and Interest Default” as of February 28, 2007. As stated above, counsel for the Trustee has determined that the collateral was foreclosed on and then sold.

7. During this bankruptcy case through the transfer of servicing to Compass, USACM treated the Direct Lenders with respect to any interim payments by the borrower

1 in accordance with this Court's orders and the confirmed Plan. The USACM Trust has not  
2 been able to determine the ultimate disposition of the Anchor B Loan, the collateral  
3 securing that loan or whether the Direct Lenders were repaid in whole or in part.

4 . I declare under penalty of perjury that the foregoing is true and correct.

5 Dated: April 20, 2011

6  
7 /s/Geoffrey L. Berman

Geoffrey L. Berman

8 Copy of the foregoing (without exhibits)  
9 mailed by first class postage prepaid  
10 U.S. Mail on April 20, 2011 to the  
investors in the Anchor B loan listed  
on Exhibit A.

11 s/ Marie Mancino

12 Marie Mancino  
13 Lewis and Roca LLP  
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